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BEFORE THE ARIZONA CORPORATION COMMISSION

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COMMISSIONERS

Jeff Hatch-Miller - Chairman
William A. Mundell
Mike Gleason
Kristin K. Mayes
Barry Wong

Arizona Corporation Commission

DOCKETED

AZ CORP COMMISSION
DOCUMENT CONTROL

NOV 28 2006

DOCKETED BY	NR
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IN THE MATTER OF THE APPLICATION OF
ARIZONA WATER COMPANY FOR AN
EXTENSION OF ITS CERTIFICATE
OF CONVENIENCE AND NECESSITY AT
CASA GRANDE, PINAL COUNTY,
ARIZONA

DOCKET NO. W-01445A-05-0469

REQUEST FOR ADDITIONAL TIME TO
COMPLY WITH FILING REQUIREMENT

On March 23, 2006 the Commission entered Decision No. 68607 in the above-captioned docket. Decision No. 68607 (the "Decision") approved the Company's application for an extension of its certificate of convenience and necessity for its Casa Grande system. It also contained the following ordering paragraphs, at page 11, lines 11-25 of the Decision:

IT IS ORDERED that pursuant to A.R.S. 40-282 (D), this Order Preliminary to the issuance of the Certificate of Convenience and Necessity is granted and upon the granting of a franchise or other consent to operate within the municipal boundary of Eloy. Arizona Water Company shall file a motion in this docket for the issuance of a Certificate of Convenience and Necessity authorizing it to construct, maintain and operate facilities to provide water service to the public in the area more fully described in Exhibit A.

1 IT IS FURTHER ORDERED that upon the motion of Arizona Water
2 Company and verification of satisfaction of the requirements for the issuance of
3 the Certificate of Convenience and Necessity for the area described in Exhibit A,
4 Staff shall prepare and docket an Order that grants the Certificate of Convenience
5 and Necessity for Commission approval.
6

7 IT IS FURTHER ORDERED that in the event that Arizona Water Company
8 does not obtain a franchise or other consent to provide water utility service to the
9 area described in Exhibit A within one year for the date of this Decision, then the
10 Order Preliminary approved herein shall be deemed null and void. In such event,
11 Staff shall file a memorandum to close this docket.
12

13 Since March 23, 2006 the Company has made the following efforts to obtain a franchise,
14 or the consent or permission of the City of Eloy with respect to installing water utility facilities
15 within the public right of ways in the area described in Exhibit A of the Decision:
16

17 1. The Company has applied for, in the manner provided by the City of Eloy,
18 and has made repeated efforts to obtain a right of way permit to install a water
19 line for the purpose of serving a customer to be located within the area
20 described in Exhibit A. A copy of a Certificate of Approval to Construct
21 Water Facilities issued to the Company by the Arizona Department of
22 Environmental Quality, a City of Eloy permit application, and a May 26, 2006
23 letter from the City of Eloy Public Works Department, evidencing the
24 Company's efforts to obtain the permit are attached hereto as Exhibits 1, 2 and
25 3, respectively.
26

27 2. On or about September 7, 2006 at the request of the City of Eloy, the
28 Company submitted to the Public Works Director a proposed form of city

1 franchise for the City's consideration and approval. The franchise was
2 patterned after the Company's City of Casa Grande and City of Coolidge
3 franchises.

4
5 Following the application to the City of Eloy described in paragraphs 1 and 2, above, the
6 Company contacted the City to ascertain the status of, and progress on, the Company's
7 application. Notwithstanding the Company's efforts, the City of Eloy, through its public works
8 director, recently informed the Company that the City Council has decided not to consider the
9 Company's application for a City franchise. As best the Company can determine at this time, it
10 must now renew its efforts to obtain a City right of way permit for the area described in Exhibit
11 A of the Decision.

12
13 As evidenced by the preceding discussion, it is clear that the Company's efforts to
14 comply with the Decision are being frustrated by the City of Eloy's shifting and conflicting
15 directives. The Company submits that these actions also hinder, and are contrary to the intent of
16 the Commission concerning the Company's extension of its Certificate of Convenience and
17 Necessity, as provided by the Decision.

18
19 For these reasons, the Company respectfully requests that it be given an additional period
20 of time of not less than one year beyond March 23, 2007 in which to continue its efforts to obtain
21 a franchise, or the consent or permission of the City of Eloy for the construction, operation and
22 maintenance of facilities for the provision of water service in the area described in Exhibit A to
23 the Decision.

1 RESPECTFULLY SUBMITTED this 28th day of November 2006.

2 ARIZONA WATER COMPANY

3
4 By: Robert W. Geake
5 Robert W. Geake
6 Vice President and General Counsel
7 ARIZONA WATER COMPANY
8 Post Office Box 29006
9 Phoenix, Arizona 85038-9006

10 Original and thirteen (13) copies of the foregoing filed the 28th day of November 2006 with:

11 Docket Control Division
12 Arizona Corporation Commission
13 1200 West Washington Street
14 Phoenix, Arizona 85007

15 A copy of the foregoing was mailed this 28th day of November 2006 to:

16 Thomas H. Campbell
17 Michael T. Hallam
18 Lewis and Roca
19 40 N. Central Avenue
20 Phoenix, Arizona 85004
21 Attorneys for the City of Eloy

22 Christopher Kempley, Chief Counsel
23 Legal Division
24 Arizona Corporation Commission
25 1200 West Washington Street
26 Phoenix, Arizona 85007

27 Ernest G. Johnson, Director
28 Utilities Division
Arizona Corporation Commission
1200 West Washington Street
Phoenix, Arizona 85007

29 By: Robert W. Geake

EXHIBIT 1



ARIZONA DEPARTMENT OF ENVIRONMENTAL QUALITY CERTIFICATE OF APPROVAL TO CONSTRUCT WATER FACILITIES

Page 1 Of 1

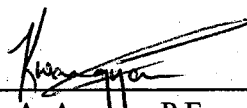
ADEQ File No: 20060330		LTF No: 39764	
System Name: Az Water Co-Casa Grande		System Number: 11-009	
Project Owner: Arizona Water Co.			
Address: P O Box 29006, Phoenix, AZ 85038			
Project Location: Casa Grande		County: Pinal	
Description: WATER DISTRIBUTION LINE ALONG PHILLIPS ROAD FROM SUNLAND GIN ROAD TO TOLTEC BUTTES ROAD TO SERVE THE ETHINGTON PROPERTY AT PARCEL 53A. INSTALL 9240 LF OF 12" DIP.			

Approval to construct the above-described facilities as represented in the approved documents on file with the Arizona Department of Environmental Quality is hereby given subject to provisions 1 through 4 continued on page 1 through 1

1. This project must be constructed in accordance with all applicable laws, including Title 49, Chapter 2, Article 9 of the Arizona Revised Statutes and Title 18, Chapter 5, Article 5 of the Arizona Administrative Code.
2. Upon completion of construction, the engineer shall fill out the Engineer's Certificate of Completion and forward it to the Central Regional Office located in Phoenix. If all requirements have been completed, that unit will issue a Certificate of Approval of Construction. R18-5-507(B), Ariz. Admin. Code. At the project owner's request, the Department may conduct the final inspection required pursuant to R18-5-507(B); such a request must be made in writing in accordance with the time requirements of R18-5-507(C), Ariz. Admin. Code.
3. This certificate will be void if construction has not started within one year after the Certificate of Approval to Construct is issued, there is a halt in construction of more than one year, or construction is not completed within three years of the approval date. Upon receipt of a written request for an extension of time, the Department may grant an extension of time; an extension of time must be in writing. R18-5-505(E), Ariz. Admin. Code.
4. Operation of a newly constructed facility shall not begin until a Certificate of Approval of Construction has been issued by the Department. R18-5-507(A), Ariz. Admin. Code.

Reviewed by: AQ1

By:


Kwame A. Agyare, P.E.
Manager, Drinking Water and
Wastewater Engineering Review
Water Quality Division

4/12/06

Date

cc: File No: 20060330
Regional Office: Central
Owner: Arizona Water Co.
County Health Department: Pinal
Engineer: Az Water Co.
Planning and Zoning/Az Corp. Commission
Engineering Review Database - Etr021

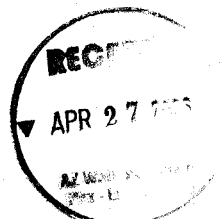


EXHIBIT 2

CITY OF ELOY
AUTHORIZATION TO WORK IN THE PUBLIC RIGHT -OF-WAY
(OFFSITE PERMIT)
APPLICATION

When approved, this permit will constitute written authorization to perform specified work within the public right-of-way, and any public utility easements under control of the City. The City does not assume any responsibility for accidents or damages resulting from the activities of the permittee, other than reasonable observation of the work to ensure that the permit conditions are being followed. Insurance, compliance with the Blue Stake Laws, and work zone safety are the sole responsibility of the permittee. The permittee agrees to these conditions as a part of submitting this application.

Name of permittee/agent: Arizona Water Company

Contractor License #: Will be supplied when contract is awarded

Print Name: Mike Loggins

Signature:  Date: 5/19/06

Business Address: 3805 North Black Canyon Highway

City: Phoenix State AZ Zip 85015

Telephone number: 602-240-6860 ext. 222

Fax number: 602-240-6878

Nature of the work to be performed in the public right-of-way/easement: Installation of
9,240 L.F. of 12" D.I.P.

Exact location/s of work: Phillips Road from Sunland Gin Road to Toltec Buttes Road

Will barricades and/or traffic detours be required? (Barricades are required in City right-of-ways.

Barricades are at the expense of the permittee)

All work to be done in dirt, but if traffic control plan is required, the contractor will submit it

What are the desired work dates and times? _____

FILE COPY

Required submittals:

- (1) Proof of insurance for \$1,000,000 in total liability (attach).
- (2) Traffic control plan (for any re-routing or barricading of streets).
- (3) Description of materials and methods to be used to ensure the integrity of the utility connections to be made (attach).
- (4) Description of materials and methods for restoring pavement or other surface improvements disturbed by the work (attach).
- (5) Name of Company/Agent Arizona Water Company Date 5/19/06
(For administrative purposes only)

This permit is approved/not approved (circle one) on (date) _____ (time) _____ a.m./p.m.

By _____, CITY ENGINEER/P.W. DIRECTOR

NOTE: ALL WORK IN CITY R/W MUST MEET MAG STANDARDS LATEST EDITION.
ALL TRAFFIC CONTROL MUST MEET MUTCD STANDARDS, LATEST EDITION.

MAG: MARICOPA ASSOCIATION OF GOVERNMENTS

MUTCD: MANUAL ON UNIFORM TRAFFIC CONTROL DEVICES

CITY OF ELOY PUBLIC WORKS FEES

DATE: 3/19/06		REPORT REVIEW	\$750/Report for min 4 hour review + \$100/Hr.	AMOUNT	PRICE
NAME: Arizona Water Company		IMPROVEMENT / ENGINEERING PLAN REVIEW			
ADDRESS: 3805 N. Black Canyon Highway		1st Review	\$200/Sheet		
PHONE: 602-240-6860		2nd Review	Included		
FAX: 602-240-6878		Additional Reviews	\$100/Hour		
P/C NO. 31		Miscellaneous	\$100/Hour		
		Other			
COMMENTS:		LANDSCAPE REVIEW			
		1st Review	\$125/Sheet		
		2nd Review	Included		
		3rd Review	\$80/Sheet		
		Other			
		NON SUBDIVISION			
		Grading/Drainage	\$100/Sheet		
		Utility	\$80/Sheet		
		Other			
		INSPECTION / PERMIT FEE			
		Non Utility	\$45 Base +4% Construction Cost		
		Utility (Right-of-Way Permit)	\$50 Base + \$0.12/lf	\$9,240	\$1,158.80
METHOD OF PAYMENT		Blanket Utility	2% Construction Cost		
Check 089377		Reapplication	Base Fee		
\$1,158.00		Work without Permit	3x Application Fee		
		Other			
		RECEIVED BY		TOTAL	\$1,158.80

Client#: 4741

SANGABRI

ACORD CERTIFICATE OF LIABILITY INSURANCE		DATE (MM/DD/YYYY) 01/11/06
PRODUCER Calco Ins Brokers & Agents Inc Lic #QB29370 (714) 937-1824 One City Blvd W, #700 Orange, CA 92668		THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW.
INSURED Arizona Water Company (United Resources) P.O. Box 29000 Phoenix AZ 85038		INSURERS AFFORDING COVERAGE INSURER A: American Alternative Ins Corp INSURER B: INSURER C: INSURER D: INSURER E:
		NAIC #

COVERAGES

THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED. NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. AGGREGATE LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.

INSURED	TYPE OF INSURANCE	POLICY NUMBER	POLICY EFFECTIVE DATE (MM/DD/YY)	POLICY EXPIRATION DATE (MM/DD/YY)	LIMITS
A	<input checked="" type="checkbox"/> GENERAL LIABILITY <input checked="" type="checkbox"/> COMMERCIAL GENERAL LIABILITY CLAIMS MADE <input checked="" type="checkbox"/> OCCUR GENL AGGREGATE LIMIT APPLIES PER: <input type="checkbox"/> POLICY <input type="checkbox"/> PRO. <input type="checkbox"/> LOC	SD1SSK91021802	12/31/05	12/31/06	EACH OCCURRENCE \$1,000,000 DAMAGE TO RENTED PREMISES (Ea occurrence) \$1,000,000 MED EXP (Any one person) \$10,000 PERSONAL & ADV INJURY \$3,000,000 GENERAL AGGREGATE \$3,000,000 PRODUCTS - COMP/OP AGG \$3,000,000
A	AUTOMOBILE LIABILITY <input checked="" type="checkbox"/> ANY AUTO ALL OWNED AUTOS SCHEDULED AUTOS <input checked="" type="checkbox"/> HIRED AUTOS <input checked="" type="checkbox"/> NON-OWNED AUTOS GARAGE LIABILITY <input type="checkbox"/> ANY AUTO	SDISSA805070200	12/31/05	12/31/06	COMBINED SINGLE LIMIT (Ea accident) \$1,000,000 BODILY INJURY (Per person) \$ BODILY INJURY (Per accident) \$ PROPERTY DAMAGE (Per accident) \$ AUTO ONLY - EA ACCIDENT \$ OTHER THAN AUTO ONLY: EA ACC \$ AGG \$
A	EXCESS/UMBRELLA LIABILITY <input checked="" type="checkbox"/> OCCUR <input type="checkbox"/> CLAIMS MADE DEDUCTIBLE RETENTION \$	SD1SSX92006052	12/31/05	12/31/06	EACH OCCURRENCE \$10,000,000 AGGREGATE \$10,000,000 \$ \$ \$ WC STATUTORY LIMITS OTHER E.L. EACH ACCIDENT \$ E.L. DISEASE - EA EMPLOYEE \$ E.L. DISEASE - POLICY LIMIT \$
	WORKERS COMPENSATION AND EMPLOYERS' LIABILITY ANY PROFIT/LOSS/PAID/INJURY/EXECUTIVE OF FICER/MEMBER EXCLUDED? If yes, describe under SPECIAL PROVISIONS below. OTHER				

DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES / EXCLUSIONS ADDED BY ENDORSEMENT / SPECIAL PROVISIONS
 Certificate holder is additional insured per Public Right of Way Offsite Permit.

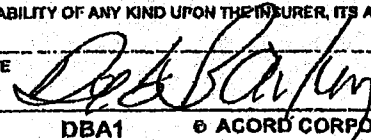
CERTIFICATE HOLDER

City of Eloy Attn: John Mitchell, P.E.
 1137 West Houser Rd.
 Eloy, AZ 85231


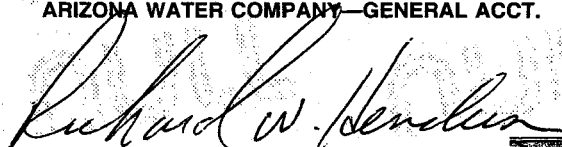
CANCELLATION

SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, THE ISSUING INSURER WILL ENDEAVOR TO MAIL 30 DAYS WRITTEN NOTICE TO THE CERTIFICATE HOLDER NAMED TO THE LEFT, BUT FAILURE TO DO SO SHALL IMPOSE NO OBLIGATION OR LIABILITY OF ANY KIND UPON THE INSURER, ITS AGENTS OR REPRESENTATIVES.

AUTHORIZED REPRESENTATIVE



ARIZONA WATER COMPANY		REMITTANCE ADVICE		PLEASE DETACH BEFORE DEPOSIT
INVOICE DATE	INVOICE NO.			NET AMOUNT
17-May-06	123628			1,158.00
CHECK NO. 89377	VENDOR NO. 20127	TOTALS		\$1,158.00

	ARIZONA WATER COMPANY GENERAL ACCOUNT 3805 N. BLACK CANYON HIGHWAY POST OFFICE BOX 29006 PHOENIX, ARIZONA 85038-9006		91-170 1221
	PAY TO THE ORDER OF ONE THOUSAND ONE HUNDRED FIFTY EIGHT AND NO/100 DOLLARS		No. 089377 DATE May 19, 2006 \$ 1,158.00
BANK OF AMERICA	CITY OF ELOY RIGHT OF WAY DEPARTMENT 226 N MAIN ST ELOY AZ 85231		ARIZONA WATER COMPANY - GENERAL ACCT. 

⑈089377⑈ ⑆122101706⑆

001⑈168104⑈



CITY OF ELOY

Public Works Department

May 26, 2006

Mike Loggins
3805 N. Black Canyon Highway
Phoenix, AZ 85015

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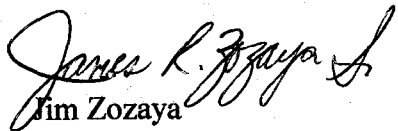
JUN 06 2006

ARIZONA WATER COMPANY
PHOENIX OFFICE

RE: Right of Way Permits

Dear Mr. Loggins:

This letter is to inform you the plans for the water line project on Phillips Road were not reviewed by the Public Works Department and construction is not to begin until Arizona Water Company enters into a Franchise Agreement with the City of Eloy. When the Franchise Agreement with the City is in place Arizona Water Company may resubmit the drawings for review and approval. I do apologize for the inconvenience this may cause you. If you have, any questions do not hesitate to contact me at (520) 466-3082 - X-226.


Jim Zozaya
Public Works Superintendent
jzozaya@ci.elyo.az.us
(520) 466-3082

JZ/mb